



Appeals

Effectively Representing Your Client – Collection Issues

Appeals Mission

To resolve tax controversies, without litigation, on a basis which is fair and impartial to both the Government and the taxpayer in a manner that will enhance voluntary compliance and public confidence in the integrity and efficiency of the Service.



Collection Cases

- Collection Due Process (CDP)
- Collection Appeal Program (CAP)
- Offer-in-Compromise (OIC)
- Trust Fund Recovery Penalty (TFRP)



Collection Alternatives in CDP

- Full Payment
- Installment Agreement
- Offer-in-Compromise
- Currently-not-Collectible
- Underlying Liability
 - Spousal Defenses
 - Deficiency Assessments



Assignment of Cases

- Field
- Campus
 - Cases from Centralized Offer in Compromise (COIC) – assigned to Brookhaven & Memphis
 - Collection Due Process cases from Automated Collection System (ACS) – assigned to Fresno, Covington, Brookhaven and Memphis



Case Study I

- CDP for in-business sole proprietor
- Employment Tax liability
- Requests CDP hearing
- Proposes collection alternative



Representing Your Client

- Preparing for the Hearing
 - Is your client in compliance?
 - Be informed and prepared to discuss and raise any additional issues
 - Prepare a financial statement



Representing Your Client

- Hearing
 - F2F
 - Telephone
- Determination
- Closing
 - Waiver
 - Notice of Determination
 - Decision Letter
 - Withdrawal



Case Study II

- Offer-in-Compromise
 - Taxpayer couple owes 4 years of 1040 taxes-\$175,000.00
 - Offer of \$40,000 rejected
 - Timely protests dissipated assets, value of residence and 401K



Representing Your Client

- Compliance-Equity
 - Dissipated Asset- \$45,000
 - Residence- \$37,000
 - 401K- \$20,000
 - Total RCP = \$102,00
- Appeals – Equity
 - Dissipated Asset -\$22,000
 - Residence \$25,000
 - 401K - \$7,200
 - Revised RCP = \$54,200



Post Appeals Mediation & Arbitration

Announcement 2008-111

- Follows Revenue Procedures 2002-44 and 2004-44
- 2 Year test-8 Cities
 - Atlanta-Chicago-Houston-Cincinnati
Indianapolis-Louisville-Phoenix-San Francisco
- Mediators – No Settlement Authority
- Not mandatory
- Decision makers **MUST** be present
- Excluded cases/further Appeal



For more information...

Visit Appeals at www.irs.gov/appeals

View an informative video stream
entitled, “Appeals—Today and
Tomorrow”



Careers in Appeals

